

10 October 1985

MEMORANDUM FOR THE RECORD

FROM:

Chief, Retirement Division

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SUBJECT: Congressman Ford's Supplemental Retirement Plan

1. Ed Hustead called late yesterday afternoon to advise that the House had announced the provisions of its supplemental retirement proposal. Ed sketched them as follows:

	<u>Regular CSRS</u>	<u>Special Categories</u>
Retirement Eligibility	Age 55 w/30 years Age 60 w/20 years (Unreduced)	Age 50 w/20 years (Unreduced)
Accrual Rates	1% for all years of service (With Supplement Equal to Social Security to Age 62)	1.7%-1st 20 years 1.5%-over 20 years (With Supplement Equal to Social Security to Age 62)
COLA	Full	Full
Salary Base	High-3	High-3
Contributions	7% minus Social Security (5.7%)=1.3%	7 1/2% minus Social Security (5.7%)=1.8%
Thrift Plan	1/2 matching up to 1st 6% of employee contribution	Same

2. The cost of the proposal will be about 25 1/2% of payroll. Ed will work up annuity comparisons which will be available early next week. OLL has been advised of the above and she will pick up copies of the actual bill at first availability from the House. Per Ed, hearings on the proposal will be on 23 and 24 October 1985.

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